

DYER COUNTY E911
EMERGENCY COMMUNICATION DISTRICT
FINANCIAL STATEMENTS AND AUDITOR'S REPORT
Year Ended June 30, 2009

DYER COUNTY E911
Dyersburg, Tennessee
FINANCIAL STATEMENTS AND AUDITOR'S REPORT
June 30, 2009

ROSTER OF BOARD OF DIRECTORS

Thomas White
Jeff Holt
Bob Williamson
James Medling
Bart Williams

Jeff Burns
Kris Kent
Benny Spain
Thomas Reasons

DYER COUNTY E911
Dyersburg, Tennessee
FINANCIAL STATEMENTS AND AUDITOR'S REPORT
June 30, 2009

TABLE OF CONTENTS

Audited Financial Statements

Independent Auditor's Report.....	1-2
Statement of Net Assets.....	3
Statement of Revenues, Expenses and Changes in Net Assets	4
Statement of Cash Flows	5-6
Notes to Financial Statements	7-10

Other Financial Information

Budgetary Comparison Schedule.....	11-12
Schedule of State Awards	13
Schedule of Information Required by the Tennessee Emergency Communication Board.....	14
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards	15-16
Schedule of Findings, Recommendations and Responses.....	17

JOE M. ENOCH & ASSOCIATES, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

110 West Court • P.O. Box 547
Dyersburg, Tennessee 38025

731-286-6080 • Fax 731-286-8077

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Dyer County E911 Emergency Communication District
Dyersburg, Tennessee

We have audited the accompanying statement of net assets of Dyer County E911 Emergency Communication District, a component unit of Dyer County, Tennessee, as of June 30, 2009 and the related statements of revenues, expenses, and changes in net assets, and cash flows for the year then ended. These financial statements are the responsibility of management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Dyer County E911 Emergency Communication District at June 30, 2009, the results of its operations and its cash flows for the year then ended in conformity with accounting principles as generally accepted in the United States of America.

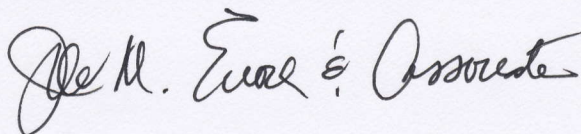
Government Accounting Standard Board Statement No. 34 requires the inclusion of a Management Discussion and Analysis Letter, however the management of Dyer County E911 has decided not to include this letter in the June 30, 2009 report.

In accordance with Government Auditing Standards, we have also issued our report dated December 7, 2009, on our consideration of Dyer County E911 Emergency Communication District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Board of Directors
Dyer County E911 Emergency Communication District
Dyersburg, Tennessee
Page 2

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying financial information is presented for purposes of additional analysis and is not a required part of the basic financial statements of Dyer County E911 Emergency Communication District. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Dyersburg, Tennessee
December 7, 2009

A handwritten signature in dark ink, reading "Joe M. Enoch & Associates". The signature is written in a cursive, flowing style.

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT
Dyersburg, Tennessee
STATEMENT OF NET ASSETS
June 30, 2009

ASSETS

<u>Current Assets</u>		
Cash		\$ 217,839
Certificates of deposit		437,111
Accounts receivable		51,482
Prepaid expenses		5,583
Accrued interest receivable		1,830
Total Current Assets		<u>713,845</u>
<u>Fixed Assets</u>		
Equipment	\$ 1,306,521	
Less: Accumulated depreciation	<u>(446,294)</u>	
Net Fixed Assets		<u>860,227</u>
TOTAL ASSETS		<u>\$ 1,574,072</u>

LIABILITIES AND NET ASSETS

<u>Net Assets</u>		
Invested in capital assets		\$ 860,227
Unrestricted net assets		713,845
Total Net Assets		<u>1,574,072</u>
TOTAL LIABILITIES AND NET ASSETS		<u>\$ 1,574,072</u>

See accompanying notes and accountant's report.

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT
Dyersburg, Tennessee
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
For the Year Ended June 30, 2009

<u>Operating Revenue</u>	
Emergency service charges	\$ 344,403
Total Operating Revenue	<u>344,403</u>
<u>Operating Expenses</u>	
Advertising	10
Audit services	2,050
Accounting services	1,475
Contracts with government agencies	19,200
Contracts with private agencies	5,794
Maintenance agreements	52,567
Maintenance and repairs - communications	3,649
Maintenance and repairs - buildings & facilities	245
Communications equipment - lease payments	47,861
Office supplies and postage	154
Dues and memberships	317
Insurance - liability	10,691
Insurance - equipment	373
Premiums on surety bonds	1,018
Public education	1,408
Training	2,022
Travel	3,365
Other charges	10
Depreciation - equipment	140,837
Total Operating Expense	<u>293,047</u>
OPERATING INCOME (LOSS)	<u>51,356</u>
<u>Non-operating Revenue</u>	
State Emergency Communications Board - reimbursement	10,000
Interest income	11,149
Total Non-operating Revenue	<u>21,149</u>
<u>Non-operating Expense</u>	
Loss on disposal of equipment	44,874
Total Non-operating Expense	<u>44,874</u>
INCREASE IN NET ASSETS	27,631
Net Assets, July 1, 2008	<u>1,546,441</u>
Net Assets, June 30, 2009	<u><u>\$ 1,574,072</u></u>

See accompanying notes and accountant's report.

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT
Dyersburg, Tennessee
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2009

<u>Cash Flows From Operating Activities</u>		
Receipts from emergency service charges		\$ 320,333
Payments to suppliers		<u>(164,902)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES		155,431
<u>Cash Flows From Capital and Related</u>		
<u>Financing Activities</u>		
Purchase of equipment	\$ (26,720)	
Decrease in accounts payable - capital expenditures	<u>(398,079)</u>	
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES		(424,799)
<u>Cash Flows From Noncapital</u>		
<u>Financing Activities</u>		
Reimbursements from State Communications Board	<u>10,000</u>	
NET CASH PROVIDED IN NONCAPITAL FINANCING ACTIVITIES		10,000
<u>Cash Flows From Investing Activities</u>		
Purchase of certificates of deposit	(57,407)	
Interest paid on investments	<u>10,475</u>	
NET CASH USED BY INVESTING ACTIVITIES		<u>(46,932)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		(306,300)
Cash and Cash Equivalents, July 1, 2008		<u>524,139</u>
CASH AND CASH EQUIVALENTS, June 30, 2009		<u><u>\$ 217,839</u></u>

See accompanying notes and accountant's report.

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT
Dyersburg, Tennessee
STATEMENT OF CASH FLOWS (CONTINUED)
For the Year Ended June 30, 2009

<u>Reconciliation of Operating Income (Loss) to Net Cash</u> <u>Provided (Used) by Operating Activities</u>	
Operating income	\$ 51,356
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation - equipment	140,837
Changes in current assets and current liabilities:	
Increase in accounts receivable	(24,069)
Decrease in prepaid expenses	30
Decrease in accounts payable-trade	(12,723)
	<hr/>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 155,431</u>

See accompanying notes and accountant's report.

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT
Dyersburg, Tennessee
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2009

Note 1 - Significant Accounting Policies

The Dyer County E911 Emergency Communication District (the "District"), a component unit of Dyer County, was formed under the provisions of the "Emergency Communication District Law" of the State of Tennessee. The District has a board of directors appointed by the Dyer County legislative body.

The District provides a uniform emergency number to shorten the time required for a citizen to request and receive emergency aid.

The District's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. Although the District has the option to apply FASB pronouncements issued after November 30, 1989, it has chosen not to do so.

Reporting Entity

The District includes only the funds relevant to the operation of the Dyer County E911 Emergency Communication District. Dyer County E911 is a component unit of the primary government of Dyer County. Therefore, the financial statements of the District include only those funds controlled and administered by the District and the governing board of directors. Control is determined on the basis of budget adoption, taxing authority, funding and appointing of the governing board. The Dyer County Legislative body must approve issuance of debt for the District. They also have the ability to adjust the service charges of the District.

Cash and Cash Equivalents

For purposes of the statement of cash flows, only investments with original maturities of less than three months are considered to be cash equivalents.

Basis of Accounting

The books and records of Dyer County E911 Emergency Communication District are maintained on a full accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when they are earned, and expenses are recognized when they are incurred.

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT
Dyersburg, Tennessee
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2009

Note 1 - Significant Accounting Policies (Continued)

Property and Equipment

Fixed assets, including infrastructure assets, are recorded at cost and depreciation is computed using the straight-line method over the estimated useful lives of the assets. Any construction period interest is added to the cost of the related asset.

The following is a summary of fixed assets at June 30, 2008 and 2009.

	Balance 6/30/2008	Additions	Retirements and Transfers	Balance 6/30/2009
Equipment	\$ 1,810,632	\$ 26,720	\$ 530,831	\$ 1,306,521
Total	1,810,632	26,720	530,831	1,306,521
Accumulated depreciation	791,414	172,794	517,914	446,294
Net Fixed Assets	<u>\$ 1,019,218</u>	<u>\$ (146,074)</u>	<u>\$ (12,917)</u>	<u>\$ 860,227</u>

Investments

Investments of the District consist of certificates of deposit at banks. Investments are valued at cost. The District is allowed to invest in the following: bonds, notes, or treasury bills of the United States; nonconvertible debt securities of the Federal Home Loan Bank, Federal National Mortgage Association, Federal Farm Credit Bank, and Student Loan Marketing Association; and other obligations which are guaranteed as to principal and interest by the United States or any of its agencies; certificate of deposit at state and federal chartered banks and savings and loans.

Collateralization of Deposits

The District is mandated by law to require that the financial institutions in which they maintain deposits pledge securities to collateralize deposits which are in excess of the amount covered by federal insurance. At June 30, 2009 the District's carrying amount of deposits was \$654,950 and the bank balance was \$664,986. Of the bank balance, \$562,077 was covered by federal depository insurance and \$102,909 was covered by collateral held by the District's agent in the District's name.

Budget

The District is required by state law to adopt an annual budget that is approved by the Board of Directors. The budget is adopted on a basis consistent with generally accepted accounting principles and once approved, it can be amended only by a majority vote of the Board of Directors. All annual appropriations lapse at fiscal year end.

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT
Dyersburg, Tennessee
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2009

Events Occurring After Reporting Date

The District has evaluated events and transactions that occurred between June 30, 2009 and December 7, 2009, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

Note 2 - Concentration of Credit Risk

The District bills all telephone customers within its boundaries by a surcharge on the telephone bills. The telephone companies then remit the collections on a regular basis to the District. At June 30, 2009, these telephone companies are indebted to the District in the amount of \$51,482. There is no collateral or bonds securing these debts.

Note 3 - Revenue Recognition

Revenue is recorded at the time earned.

Note 4 - Operating Lease

The E911 District obtained an operating lease of some emergency telephone equipment from Bell South. There is no pre-arranged lease term on this lease. The E911 District is required to make monthly lease payments using an established rate for as long as the equipment is used by the E911 District. At any time, the E911 District may return the equipment to Bell South and thus terminate the operating lease.

Note 5 - Net Working Capital

At June 30, 2009, net working capital is \$713,844.

Note 6 - Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 7 - Risk Management

The District manages the various types of risk that apply through the use of commercial insurance. The District insures against the risk of loss of property and director's misappropriation of funds. There were no settlements in excess of insurance coverage in any of the past three years.

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT
Dyersburg, Tennessee
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2009

Note 8 –Contracts With Government Agencies

The District entered into an agreement with a local government entity whereby the local government provides technical consulting and mapping/addressing services to the District. \$19,200 was paid for these services during the year ending June 30, 2009.

Note 9 – Non-operating Revenue

The District received a reimbursement from the State Communications Board of \$10,000 for mapping and related expenditures to enhance wireless 911 service.

DYER COUNTY E911 EMERGENCY

COMMUNICATION DISTRICT

OTHER FINANCIAL INFORMATION

Year Ended June 30, 2009

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT
Dyersburg, Tennessee
BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance- Favorable (Unfavorable)
<u>Operating Revenue</u>				
Emergency telephone service charge	\$ 150,000	\$ 157,076	\$ 154,837	\$ (2,239)
TECB-operational funding distribution		104,081	104,081	
TECB-shared wireless charge	175,000	59,176	85,485	26,309
Total Operating Revenue	325,000	320,333	344,403	24,070
<u>Operating Expenses</u>				
Advertising		10	10	
Audit services	2,250	2,050	2,050	
Accounting services	1,500	1,475	1,475	
Contracts with government agencies	19,200	19,200	19,200	
Contracts with private agencies	5,440	5,794	5,794	
Maintenance agreements	30,000	52,443	52,567	(124)
Communications equipment - lease payments	67,000	47,311	47,311	
Communications equipment - maintenance and repair	5,000	3,649	3,650	(1)
Office equipment - lease/rental		1,175	550	625
Building and facilities - maintenance and repair		245	245	
Vehicle repairs	2,500			
Legal services	100			
Language line	100			
Other contract services	1,000			
Supplies and materials	1,000			
Office supplies		17	17	
Postage	75	137	137	
Small equipment purchases	5,000	4,147		4,147
Bank charges	50			
Dues and memberships	500	317	317	
Insurance-liability	7,000	10,691	10,691	
Insurance-equipment	5,500	373	373	
Premiums on surety bonds	2,250	1,110	1,018	92
Public education	1,500	1,408	1,408	
Service awards	250			
Training	7,500	2,022	2,022	
Travel expenses	5,000	3,366	3,366	
Other charges-safe deposit box	115	10	10	
Depreciation- equipment	75,000	75,000	140,837	(65,837)
Total Operating Expenses	244,830	231,950	293,048	(61,098)
OPERATING INCOME (LOSS)	80,170	88,383	51,355	(37,028)

See accompanying notes and accountant's report.

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT
Dyersburg, Tennessee
BUDGETARY COMPARISON SCHEDULE (CONTINUED)
For the Year Ended June 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>Non-operating Revenue</u>				
Interest Income	\$ 400	\$ 7,490	\$ 11,149	\$ 3,659
State Communications Board-reimbursement		10,000	10,000	
Total Non-operating Revenue	<u>400</u>	<u>17,490</u>	<u>21,149</u>	<u>3,659</u>
<u>Non-operating Expense</u>				
Loss on disposal of equipment			44,874	(44,874)
Total Non-operating Expense			<u>44,874</u>	<u>(44,874)</u>
 INCREASE IN NET ASSETS	 80,570	 105,873	 27,631	 (78,242)
Net Assets, July 1, 2008	<u>1,546,441</u>	<u>1,546,441</u>	<u>1,546,441</u>	
Net Assets, June 30, 2009	<u>\$ 1,627,011</u>	<u>\$ 1,652,314</u>	<u>\$ 1,574,072</u>	<u>\$ (78,242)</u>
Budget basis		\$ 105,873		
Revenue accruals		(24,069)		
Expenditure accruals		(32)		
Depreciation		(140,837)		
GAAP basis		<u>\$ (59,065)</u>		

See accompanying notes and accountant's report.

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT
Dyersburg, Tennessee
SCHEDULE OF STATE AWARDS
For the Year Ended June 30, 2009

<u>CFDA Number</u>	<u>Programs</u>	<u>Balance 7/1/2008</u>	<u>Cash Receipts</u>	<u>Expenditures</u>	<u>Balance 6/30/09</u>
<u>Tennessee Department of Commerce and Insurance</u>					
	GIS Mapping Maintence Grant	\$ -	\$ 10,000	\$ 10,000	\$ -
	Total	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ -</u>

See accompanying notes and accountant's report.

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT
Dyersburg, Tennessee
SCHEDULE OF INFORMATION REQUIRED BY
THE TENNESSEE EMERGENCY COMMUNICATION BOARD
June 30, 2009

Address of each public safety answering points

Dyersburg Communication Center (EOC)
1165 Harrell Avenue
Dyersburg, TN 38024

Dyer County Sheriff Department
401 E Cedar
Dyersburg, TN 38024

Newbern Police Department
121 E Main Street
Newbern, Tn 38059

Type of system/equipment and data base used by each public safety answering point

The equipment is Plant/CML with a Motorola data base.

Name, address, telephone number and fax number of the director of the emergency communication district

The district is board managed.

Name, address, telephone number and fax number of the chairman of the emergency communication district

Benny Spain
225 Auburn Ave.
Dyersburg, TN 38024
(731) 287-7937 office
(731) 286-8006 fax

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Dyer County E911 Emergency Communication District
Dyersburg, Tennessee

We have audited the financial statements of the Dyer County E911 Communication District as of and for the year ended June 30, 2009 and have issued our report thereon dated December 7, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit we considered Dyer County E911 Emergency Communication District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings, recommendations and responses that we consider to be significant deficiencies in internal control over financial reporting. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Dyer County E911 Emergency Communication District
Dyersburg, Tennessee
Page 2

Compliance and Other Matters

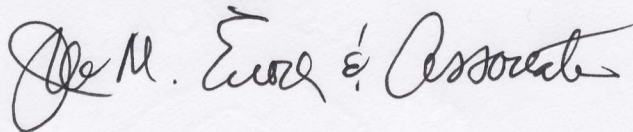
As part of obtaining reasonable assurance about whether Dyer County E911 Emergency Communication District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings, recommendations and replies.

We noted certain matters that we reported to management of Dyer County E911 Emergency Communication District, in a separate letter dated December 7, 2009.

The District's response to the findings identified in our audit is described in the accompanying schedule of findings, recommendations and responses. We did not audit the District's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, specified legislative or regulatory bodies, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Dyersburg, Tennessee
December 7, 2009



DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT
Dyersburg, Tennessee
SCHEDULE OF FINDINGS, RECOMMENDATIONS AND RESPONSES
June 30, 2009

Prior Year Findings Not Implemented

2009-1 Finding

Due to practical limitations in the size of the District, adequate segregation of duties is not present in the District's internal control structure. However, during the year the Board took an active interest in the financial transactions of the organization by reviewing detail transactions on a regular basis.

Recommendation

Management and the Board need to continue their efforts in complying with the control procedures that are in place to insure that transactions are properly documented and approved. The Board should continue to take an active interest in the financial transactions of the organization by reviewing detail transactions on a regular basis.

Management Response

We concur.

2009-2 Finding

Some of the balance sheet accounts and depreciation are not adjusted to the accrual basis at the end of the year.

Recommendation

An effort should be made to make accrual adjustments to the accounts at the end of the year.

Management Response

We agree, however we prefer those adjustments be made during the audit process with the approval and review of our bookkeeper.

2009-3 Finding

The district failed to comply with certain budget line items as noted in the Budgetary Comparison Schedule.

Recommendation

We recommend that the district more closely monitor the budget and adopt budget amendments if necessary.

Management Response

The District will continue to make efforts to amend the budget on a more timely basis, however some of these differences are cash to accrual differences.